# Analysis on the Problems and Solutions of China's Real Estate Economic Management

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Abstract: As far as real estate economic management is concerned, Chinese real estate companies attach great importance to it, but with the rapid development of real estate economy, many problems are exposed. In the development of economic globalization, there are still many problems in the economic management of real estate in China, and these problems have a great impact on the development of the real estate industry. Therefore, the real estate industry needs to pay more attention to the problems existing in economic management, so as to formulate corresponding countermeasures and make the real estate industry develop stably. As a social problem closely related to the national economy and people's livelihood, China has strengthened macro-control and managed the economic management of real estate. Based on the demand, this paper analyzes the problems existing in the current real estate economic management, and puts forward relevant solutions, aiming at promoting the healthy development of China's real estate industry. So as to use effective management measures to solve the existing problems and make the real estate service industry develop healthily.

#### 1. Introduction

In recent years, China's real estate industry has become an important part of the development of China's national economy, and with the continuous development of the real estate economy, the relevant economic management has correspondingly kept pace with the development of the times [1]. The rapid development of China's real estate industry has greatly improved the economic benefits of real estate. Many people with investment ideas join the real estate industry, which leads to the continuous upgrading of competition in the real estate industry and the rising of house prices, which affects people's purchasing power [2]. Through the investigation and research of the real estate industry, the management link of the real estate enterprise is relatively low, and there are many factors that affect its development [3]. In the context of economic globalization, there are many drawbacks in China's real estate economic management, which is bound to have a negative impact on the healthy development of real estate [4]. Economic management is a process of organizing, supervising and guiding related economic affairs. In order to effectively achieve the expected economic goals, it is necessary to strengthen the reasonable management [5]. In recent years, although the real estate industry has formulated a series of solutions for the problems of real estate economic management, it has failed to achieve a better effect. The fundamental reason is that it has not deeply analyzed the relevant problems in the current real estate economic management [6].

The content of real estate economic management itself is very complex and needs long-term work, which is mainly to improve the system scientifically and reasonably. Only by strengthening the scientific and reasonable management of the real estate economy, can we realize the supervision of the relevant economic activities of the whole real estate industry, scientifically and reasonably implement the real estate economic management, lead the real estate enterprises to coordinate the economic activities, timely find and solve the problems existing in the economic operation, enhance the communication and cooperation between the government and the real estate development, and improve the work efficiency of the real estate enterprises [7]. As a pillar economic industry in China, the real estate economy can not only satisfy and improve the national economic level and material life quality, but also promote the development maturity of the financial market, make it

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more perfect and reasonable, and promote China's social and economic construction to a higher level [8]. The real estate economy is an important part of the national economy, but according to the actual situation of China's real estate economic management, there are still some problems, such as imperfect management system, weak management awareness, unclear policy objectives, lagging laws and regulations, which need to be improved and perfected [9]. This paper analyzes the current real estate economic management problems, and puts forward effective countermeasures.

## 2. Analysis on the problems of real estate economic management

With the rapid development of China's real estate economy in recent years, many problems have also been exposed. The economic management of real estate is a very typical problem. For real estate, its management is only an economic problem, but it has a very significant impact on the national economy and people's livelihood. The reasons for the unbalanced development of supply and demand in the property market are closely related to the imbalance of land supply and demand, land supply structure and national policies. Land fails to play a role in regulating the balanced development of the real estate industry, which directly triggers the unbalanced development of supply and demand in the property market and indirectly promotes the rise of housing prices. From the actual government management research on the real estate market, it is concluded that the government does not have an effective management plan in the management link, and it does not have a clear grasp of many existing details in the real estate industry. The healthy development of real estate economy is inseparable from effective and reasonable management. Therefore, it is necessary to intensify research on management, so as to find out the factors affecting the development of real estate economy. Then, according to these factors, we analyze and study, use targeted and reasonable measures to solve the existing problems, and then work out effective development plans based on these solutions and the management methods of real estate economy. The effective implementation of this link requires a detailed investigation and study of real estate, and the developed development plan has the characteristics of medium and long-term development direction, so as to ensure the stable and healthy development of real estate economy.

In the development of the real estate industry, the regulation of land did not play its due role, resulting in the imbalance between supply and demand in the property market, and this imbalance between supply and demand is the main reason for the rise in housing prices. The real estate economy has attracted a large number of enterprises and professionals to invest and develop, but the industry and economic market have not issued any management system to regulate its development direction and behavior, which makes its development environment immature and complete, and there are various hidden dangers. However, excessive development and investment are impacting the real estate industry, making it unable to get perfect and sound management, and finally affecting its further development. In the current development of real estate economy, the price bubble is the main problem, which is mainly reflected in the fact that the real estate price is greater than the real price [10]. They are not very consistent with each other, which has a great impact on the development of the real estate industry, and at the same time, it will indirectly lead to the effective rise of house prices and the false high situation. The perfect real estate economic market makes the supply of land in China seriously insufficient. As an important part of the real estate economy, the price level of land has been constantly changed and improved, which can not correctly and objectively reflect the real price of land and the normal demand of people for land and housing.

At present, the laws and regulations in the real estate economy are imperfect. The main reason for this factor is that China is in the primary stage of socialist development, so the management mode of real estate economy is also in the primary stage, which has been in the process of constant exploration. Restricted by China's national conditions, it is strictly forbidden to buy and sell the land granted by the state freely, but this also makes the land price in most areas obviously accelerate, which leads to the house price exceeding the normal range of the people, and seriously damages their quality of life. In this regard, if the housing price and real estate economic market are still not effectively regulated, it will eventually lead to a bubble economy due to excessive negative impact, which cannot be effectively developed and improved. Limited by unbalanced economic

development and rising demand for home purchases, the policy of restricting purchases and sales can achieve certain regulatory effects in first-and second-tier cities, but it fails to achieve ideal regulatory effects in third-and fourth-tier cities and below. Although the introduction of the purchase restriction policy can raise the threshold of buying houses and restrain real estate investment, it also increases the difficulty of buying houses for those who really have rigid housing demand to a certain extent. Once the regulatory policy is slightly relaxed due to external factors, house prices will rise again.

#### 3. Management measures of real estate economy in China

#### 3.1. Improve the management mechanism

China is in the primary stage of socialism. If we want to transform the real estate economy and promote the adjustment of China's economic structure, we must restrict the real estate economic management. In the link of capital investment, it is necessary to evaluate the project comprehensively, determine the capital amount of each project according to the result of evaluation amount, and make a capital flow statement to achieve an effective record. If the government wants to manage the real estate economy effectively, it must work out a more continuous policy, make the management objectives clearer, and let the real estate developers formulate their own management methods according to the national management regulations. According to the actual situation, the government should formulate the corresponding market early warning mechanism, embody the role of the market, reasonably supervise and manage the real estate, observe the corresponding elements of the real estate market, and timely regulate and control the abnormal situation to ensure its rational and scientific development.

## 3.2. Adhere to the concept of sustainable development

As a pillar economic industry in China, the real estate economy can effectively mobilize the development of China's social and economic construction and promote its steady rise. However, it is difficult to develop because of the imperfect market and the lack of management system. Therefore, we must pay more attention to the economic management mode and investment means of real estate in China, improve the policies of real estate investment in China, and establish a sound real estate management mechanism, so as to promote the maturity and perfection of China's real estate market and promote the sustainable development of China's socialist economic construction. In order to ensure that the real estate economy continues to maintain the momentum of sustainable development, it is necessary to keep up with the development and changes of the times, formulate a scientific and reasonable development plan of the real estate economy, solve various problems in the real estate economic management, and promote the deepening reform of the real estate economic management. The simple treatment can't change and innovate in essence. Therefore, in order to reverse the current chaotic real estate situation, it is necessary to establish and improve a perfect real estate management mechanism, so that economic management can play its guiding role and guide the real estate industry to develop in the right direction. The government should actively learn from foreign developed countries' real estate investment management strategies, optimize and improve the current real estate investment policies, improve the real estate economic management system, and urge real estate enterprises to adjust their business forms and investment methods, so as to obtain the most suitable investment and management means for the sustainable development of the industry through multiple rounds of practice.

# 3.3. Perfecting laws and regulations

Facing the rapid development of real estate industry, China should improve laws and regulations in time. If we want to improve the economic management mode of real estate effectively, we must gradually improve China's real estate laws and regulations to form an independent legal system. To strengthen the perfection of relevant laws and regulations, it is necessary to take the national conditions as the basis, reasonably analyze the relevant problems existing in the current real estate

economic management, establish a sound legal system, and strengthen the effective perfection of China's real estate economic management from the perspective of legal system, mainly to ensure that the real estate economic management can develop in a scientific and standardized direction [11]. If we want to establish a complete set of real estate laws and regulations, we need a long process to improve and revise these laws and regulations. Therefore, the government needs to standardize the market order of real estate, find out the existing problems in the market, and repair and improve the laws and regulations. From the above, we know that laws and regulations are of great significance to the management of real estate economy. Therefore, it is necessary to improve laws and regulations so as to effectively manage real estate.

#### 4. Conclusions

With the continuous improvement of Chinese people's living standards, the current situation of architecture can no longer meet people's needs, which promotes the continuous development of China's real estate industry. In the fierce market competition environment, the problems in the real estate industry are constantly emerging. In the process of real estate management, the channel problem is also an important factor affecting the development of enterprises, which will affect the network smoothness of real estate enterprises, thus causing the sales link to fall into crisis. Therefore, the company's management should correctly understand the channel, face up to this problem, find the root of the problem, and use targeted and effective measures to solve it. In the current fierce market environment, the problems presented by the real estate industry are constantly emerging. In order to make the real estate industry develop rapidly and reasonably and ensure the realization of long-term sustainable development goals, the government needs to play a macrocontrol role in this process. The Chinese government should play its macro-control function, on the one hand, improve and perfect the laws and regulations of real estate. On the other hand, we should learn more advanced real estate economic management methods from abroad to ensure the sustainable and stable development of China's real estate industry.

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